GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:1937
ANSWERED ON:30.11.2000
JOINT VENTURE WITH KARNATAKA
JAYASHREE BANERJEE;PUTTASWAMY GOWDA;RUDRAGOUDA PATIL

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Government of Karnataka has signed any memorandum of Understanding with the Railways to set up Joint venture to expedite development of projects;

(b) if so, the details thereof;

(c) the details of projects identified for development;

(d) the funds required for their completion;

(e) the manner in which the funds are likely to be mobilised; and

(f) The time by which these projects are likely to be completed ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) to (f) : A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA UNSTARRED QUESTION NO. 1937 FOR 30.11.2000 ASKED BY S/SHRI G. PUTTASWAMY GOWDA, R.S.PATIL & SHRIMATI JAYASHREE BANERJEE REGARDING JOINT VENTURE WITH KARNATAKA.

(a):Yes, Sir.

(b):A Joint Venture Company will be formed. Ministry of Railways, Govt. of Karnataka, FI`s/Banks/Others will be the equity partners. This company will mobilise finances for certain identified Rail Projects.

(c): 1. Hubli-Ankola New Lines

2. Solapur-Gadag Gauge Conversion

3. Hassan-Mangalore Gauge Conversion

4. Guntkal-Hospet Doubling

(d):As per the available estimates the cost of the project is Rs. 1639.50 crores.

(e):The funds for these projects will be mobilized by the JV Company in which Ministry of Railways and Govt. of Karnataka will each be 26% equity partners. The Govt. of Karnataka will provide State guarantee with out any recourse or charge on the Ministry of Railways or on the railway assets, to the lenders for the market borrowings by the Joint Venture Company. Ministry of Railways, however, will only fund these projects to the extent of 25% of the balance cost of the project and further subject to allocations made in the Railway Budget for these works.

(f):No time frame has been finalised.